CHAPTER 110

PROFESSIONS AND OCCUPATIONS

HOUSE BILL 96-1308

BY REPRESENTATIVES Chlouber, Friednash, George, June, Lyle, Mace, Musgrave, Reeser, and Schwarz; also SENATORS Rizzuto and Johnson.

AN ACT

CONCERNING THE REGULATION OF HORSE RACING.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 12-60-102 (4), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

- **12-60-102. Definitions.** As used in this article, unless the context otherwise requires:
- (4) (a) (I) "Class B track" means a track, located within the state of Colorado, at which a race meet of horses, consisting of fifty THIRTY or more race days, is BEING conducted except that, in its third year of operation and in each year thereafter, such a track must be the site of a race meet of horses consisting of sixty or more race days in order to maintain its class B status. OR WAS BEING CONDUCTED DURING THE IMMEDIATELY PRECEDING TWELVE MONTHS.
 - (II) THIS PARAGRAPH (a) IS REPEALED, EFFECTIVE APRIL 20, 1998.
- (b) (I) "CLASS B TRACK" MEANS A TRACK, LOCATED WITHIN THE STATE OF COLORADO, AT WHICH A RACE MEET OF HORSES, CONSISTING OF FIFTY OR MORE RACE DAYS, IS BEING CONDUCTED OR WAS BEING CONDUCTED DURING THE IMMEDIATELY PRECEDING TWELVE MONTHS; EXCEPT THAT, IN ITS THIRD YEAR OF OPERATION AND IN EACH YEAR THEREAFTER, SUCH A TRACK MUST BE THE SITE OF A RACE MEET OF HORSES CONSISTING OF SIXTY OR MORE RACE DAYS IN ORDER TO MAINTAIN ITS CLASS B STATUS.
 - (II) (A) A TRACK THAT QUALIFIED AS A CLASS B TRACK DURING CALENDAR YEAR

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

1997 SHALL MAINTAIN ITS CLASS B STATUS FOR CALENDAR YEAR 1998 IF IT APPLIES FOR A LICENSE TO CONDUCT, DURING 1998, A RACE MEET OF HORSES CONSISTING OF SIXTY OR MORE RACE DAYS OR, IF 1998 IS THE TRACK'S FIRST OR SECOND YEAR OF OPERATION, FIFTY OR MORE RACE DAYS.

- (B) This subparagraph (II) is repealed, effective April 20, 1999.
- (III) THIS PARAGRAPH (b) IS EFFECTIVE APRIL 21, 1998.
- **SECTION 2.** 12-60-602 (4), (5) (b) (I), (5) (b) (II), and (7), Colorado Revised Statutes, 1991 Repl. Vol., as amended, are amended, and the said 12-60-602 (5) (b) is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBPARAGRAPHS, to read:
- 12-60-602. Simulcast facilities and simulcast races unlawful act. (4) (a) (I) A race meet of horses which is conducted at an in-state host track may be received as a simulcast race by any simulcast facility; except that, notwithstanding any consent granted pursuant to the provisions of section 12-60-102 (14), an in-state simulcast facility which is located within fifty miles of a horse track which has held within the previous twelve months or is licensed and scheduled to hold within the next twelve months a horse race meet of no less than fifty THIRTY race days or no less than sixty race days if such twelve-month period includes any portion of the track's third or subsequent year of operation, may not receive simulcast races of horses on any day on which such horse track is running live horse races unless the licensee of such horse track consents thereto.
 - (II) THIS PARAGRAPH (a) IS REPEALED, EFFECTIVE APRIL 20, 1998.
- (b) (I) A RACE MEET OF HORSES WHICH IS CONDUCTED AT AN IN-STATE HOST TRACK MAY BE RECEIVED AS A SIMULCAST RACE BY ANY SIMULCAST FACILITY; EXCEPT THAT, NOTWITHSTANDING ANY CONSENT GRANTED PURSUANT TO THE PROVISIONS OF SECTION 12-60-102 (14), AN IN-STATE SIMULCAST FACILITY WHICH IS LOCATED WITHIN FIFTY MILES OF A HORSE TRACK WHICH HAS HELD WITHIN THE PREVIOUS TWELVE MONTHS OR IS LICENSED AND SCHEDULED TO HOLD WITHIN THE NEXT TWELVE MONTHS A HORSE RACE MEET OF NO LESS THAN FIFTY RACE DAYS, OR NO LESS THAN SIXTY RACE DAYS IF SUCH TWELVE-MONTH PERIOD INCLUDES ANY PORTION OF THE TRACK'S THIRD OR SUBSEQUENT YEAR OF OPERATION, MAY NOT RECEIVE SIMULCAST RACES OF HORSES ON ANY DAY ON WHICH SUCH HORSE TRACK IS RUNNING LIVE HORSE RACES UNLESS THE LICENSEE OF SUCH HORSE TRACK CONSENTS THERETO.
 - (II) THIS PARAGRAPH (b) IS EFFECTIVE APRIL 21, 1998.
- (5) (b) (I) (A) An in-state simulcast facility which is located on the premises of a horse CLASS B track which runs a horse race meet of at least fifty live race days or at least sixty live race days if such horse race meet is held during any portion of the track's third or subsequent year of operation may receive, each year, three UP TO A TOTAL OF TWO HUNDRED FIFTY days of simulcast horse races from an out-of-state host track. for each day of live horse racing conducted at such horse track during such year SUCH TOTAL INCLUDES, AND IS NOT IN ADDITION TO, THE DAYS ON WHICH LIVE RACING IS HELD. THIS SUB-SUBPARAGRAPH (A) IS REPEALED, EFFECTIVE APRIL 20, 1998.

- (B) A facility which is reopening as a track pursuant to section 12-60-503 (2) (b) may receive three days of simulcast horse races from an out-of-state host track for each day of live horse racing for which the commission has granted it a race date for the subsequent year. A day of simulcast horse races, for the purposes of this paragraph (b), shall not include a day on which live horse races are conducted at the horse track at which the simulcast facility is located or a day on which the simulcast facility receives only simulcast races of horses from a race meet conducted at an in-state host track.
- (I.5) (A) AN IN-STATE SIMULCAST FACILITY WHICH IS LOCATED ON THE PREMISES OF A HORSE TRACK WHICH RUNS A HORSE RACE MEET OF AT LEAST FIFTY LIVE RACE DAYS OR AT LEAST SIXTY LIVE RACE DAYS IF SUCH HORSE RACE MEET IS HELD DURING ANY PORTION OF THE TRACK'S THIRD OR SUBSEQUENT YEAR OF OPERATION MAY RECEIVE, EACH YEAR, THREE DAYS OF SIMULCAST HORSE RACES FROM AN OUT-OF-STATE HOST TRACK FOR EACH DAY OF LIVE HORSE RACING CONDUCTED AT SUCH HORSE TRACK DURING SUCH YEAR.
 - (B) This subparagraph (I.5) is effective April 21, 1998.
- (II) (A) An in-state simulcast facility which is not located on the premises of a horse track which runs a horse race meet of at least fifty THIRTY live race days or at least sixty live race days if such horse race meet is held during any portion of the track's third or subsequent year of operation, may only receive a broadcast signal of a simulcast horse race conducted at an out-of-state host track through an in-state simulcast facility which is located on the premises of a horse track which runs a horse race meet of at least fifty THIRTY live race days or at least sixty live race days if such horse race meet is held during any portion of the track's third or subsequent year of operation or through a facility which is reopening as a track pursuant to section 12-60-503 (2) (b) and which has qualified to receive broadcasts of such simulcast horse race pursuant to the provisions of subparagraph (I) of this paragraph (b).
 - (B) This subparagraph (II) is repealed, effective April 20, 1998.
- (II.5) (A) AN IN-STATE SIMULCAST FACILITY WHICH IS NOT LOCATED ON THE PREMISES OF A HORSE TRACK WHICH RUNS A HORSE RACE MEET OF AT LEAST FIFTY LIVE RACE DAYS, OR AT LEAST SIXTY LIVE RACE DAYS IF SUCH HORSE RACE MEET IS HELD DURING ANY PORTION OF THE TRACK'S THIRD OR SUBSEQUENT YEAR OF OPERATION, MAY ONLY RECEIVE A BROADCAST SIGNAL OF A SIMULCAST HORSE RACE CONDUCTED AT AN OUT-OF-STATE HOST TRACK THROUGH AN IN-STATE SIMULCAST FACILITY WHICH IS LOCATED ON THE PREMISES OF A HORSE TRACK WHICH RUNS A HORSE RACE MEET OF AT LEAST FIFTY LIVE RACE DAYS, OR AT LEAST SIXTY LIVE RACE DAYS IF SUCH HORSE RACE MEET IS HELD DURING ANY PORTION OF THE TRACK'S THIRD OR SUBSEQUENT YEAR OF OPERATION, OR THROUGH A FACILITY WHICH IS REOPENING AS A TRACK PURSUANT TO SECTION 12-60-503 (2) (b) AND WHICH HAS QUALIFIED TO RECEIVE BROADCASTS OF SUCH SIMULCAST HORSE RACE PURSUANT TO THE PROVISIONS OF SUBPARAGRAPH (I.5) OF THIS PARAGRAPH (b).
 - (B) This subparagraph (II.5) is effective April 21, 1998.
- $\left(V\right)\left(A\right)$ For purposes of administering this paragraph (b), each operating year of an in-state simulcast facility located on the premises of a class B

TRACK SHALL BE DEEMED TO BEGIN ON APRIL 21 AND END ON THE FOLLOWING APRIL 20. SIMULCAST DAYS ALLOTTED TO SUCH A FACILITY PURSUANT TO THIS PARAGRAPH (b) MAY BE USED AT ANY TIME DURING THE OPERATING YEAR, BUT UNUSED DAYS REMAINING AS OF THE END OF ONE OPERATING YEAR MAY NOT BE CARRIED FORWARD TO THE NEXT OPERATING YEAR.

- (B) During operating year 1996-1997, an in-state simulcast facility located on the premises of a class B track may begin to receive its allotted number of days of simulcast horse races pursuant to subparagraph (I) of this paragraph (b) immediately, notwithstanding that no live racing has yet taken place at such track during such operating year; except that any unused simulcast days remaining as of June 20, 1996, are subject to cancellation pursuant to subsection (7) of this section. This sub-subparagraph (B) is repealed, effective April 20, 1997.
- (C) During operating year 1998-1999 and thereafter, an in-state simulcast facility located on the premises of a class B track may begin to receive its allotted number of days of simulcast horse races pursuant to subparagraph (I.5) of this paragraph (b) immediately, notwithstanding that no live racing has yet taken place at such track during such operating year, if such track has applied for a license to conduct, during such operating year, a race meet of horses consisting of fifty or more race days or, if such operating year includes all or part of the track's third or subsequent year of operation, sixty or more race days. The number of simulcast days allotted shall be based on the number of days of live racing for which the license is sought, using the formula set forth in subparagraph (I.5) of this paragraph (b).
- (7) (a) Notwithstanding any other provision of this article, no simulcast race of horses may be received by any simulcast facility in the state of Colorado during calendar year 1994 FROM JUNE 20, 1996, UNTIL APRIL 20, 1997, unless at least one CLASS B TRACK HAS APPLIED, ON OR BEFORE JUNE 20, 1996, FOR A LICENSE TO CONDUCT A race meet of horses has been conducted within the state during calendar year 1993 1996.
 - (b) This subsection (7) is repealed, effective April 20, 1997.

SECTION 3. 12-60-701 (2) (c), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

- 12-60-701. License fees and Colorado-bred horse race requirement. (2) (c) (I) The operator of a simulcast facility which receives simulcast races of horses shall retain five percent of the gross receipts of pari-mutuel wagering placed on such simulcast races at that facility, to be used to cover the particular expenses incurred in operating a simulcast facility.
- (II) (A) Of the five percent of gross receipts retained pursuant to subparagraph (I) of this paragraph (c), the operator of a simulcast facility that is not located at a class B track and that receives simulcast races of horses shall remit to the operator of the class B track from which such simulcast races were received one-fifth, representing one percent of the

GROSS RECEIPTS OF PARI-MUTUEL WAGERING PLACED ON SUCH SIMULCAST RACES AT THE SIMULCAST FACILITY.

- (B) This subparagraph (II) is repealed, effective April 21, 1998.
- **SECTION 4.** 12-60-702 (1) (e), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:
- **12-60-702.** Unlawful to wager, exception excess taxes. (1) (e) (I) Each licensee for the racing of greyhounds shall pay on a weekly basis as purses for the races in any greyhound race meet conducted at its in-state host track four percent of the gross receipts from all pari-mutuel wagering on such races.
- (II) Each operator of an in-state simulcast facility which receives simulcast races of horses or greyhounds shall pay to one or more purse funds, where applicable, PURSE FUNDS FOR THE RACING OF HORSES OR GREYHOUNDS, RESPECTIVELY, DEPENDING ON THE ANIMALS TAKING PART IN EACH SIMULCAST RACE, and to such in-state or out-of-state tracks and simulcast facilities as described in the simulcast agreement filed with the commission such percentages of the gross pari-mutuel wagering on such simulcast races, after deduction of ANY SIGNAL FEE REQUIRED BY AN OUT-OF-STATE HOST TRACK OR AN IN-STATE HOST TRACK, PAID DURING THE CURRENT YEAR OR ANY PREVIOUS YEAR, AND the applicable amounts specified in subsection (2) (b) of this section, in section 12-60-701 (1) (a), (2) (a), (2) (b), and (2) (c), and in section 12-60-704 (2), as shall be specified in such simulcast agreement.
- (III) (A) To defray operating expenses, the operator of a simulcast facility located at a class B track may retain up to twenty percent of the net purses earned and payable to the horse purse fund as provided in sub-subparagraph (A) of this subparagraph (II).
 - (B) This subparagraph (III) is repealed, effective April 20, 1998.
- **SECTION 5.** 12-60-704 (1) and (3), Colorado Revised Statutes, 1991 Repl. Vol., as amended, are amended to read:
- 12-60-704. Creation of horse breeders' and owners' awards and supplemental purse fund awards advisory committee sunset review. (1) In order to promote and improve the quality of horse racing in Colorado, There is hereby created a fund, to be known as the horse breeders' and owners' awards and supplemental purse fund, referred to in this section as the "fund", which shall consist of moneys deposited thereto by the commission for the purposes of this section, to be held by the state treasurer, which moneys are hereby appropriated to be paid out TO OWNERS AND BREEDERS OF COLORADO-BRED HORSES as provided in this section and by rules of the commission. Such rules shall provide for an administrative fee to be paid to the Colorado horse breeder associations for registering and maintaining breeding records for the administration of the fund. Such fees shall not exceed five percent of the total moneys generated by the unclaimed pari-mutuel tickets and such moneys provided by section 12-60-701 (2) (b).
 - (3) (a) There is hereby created an advisory committee of nine persons to advise the

commission relative to the breeders', owners', and stallion awards and supplemental purses. The committee shall be composed of members of the Colorado horse breeder associations, including one breeder of Arabians, the Colorado fair circuit associations, two members of the betting public, and other Colorado licensed horse racetracks. Committee members shall serve without compensation. Appointments shall be made by the commission, and terms of office shall be for three years, with the initial appointments to be made so that three members shall serve for three years, three members shall serve for two years, and three members shall serve for one year. Vacancies, when occurring, shall be filled by the commission for the remainder of the term of any said vacancy.

(b) Repealed.

(c) AFTER MONEYS FROM THE FUND HAVE BEEN DISTRIBUTED TO THE RESPECTIVE BREEDER ASSOCIATIONS, FURTHER DISTRIBUTION SHALL BE GOVERNED BY THE BYLAWS OF SUCH ASSOCIATIONS. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT THE DISTRIBUTION OF MONEYS FROM THE FUND TO OWNERS AND BREEDERS OF COLORADO-BRED HORSES THAT ARE OTHERWISE ELIGIBLE UNDER THE BYLAWS OF SUCH ASSOCIATIONS AND THAT RUN IN RACES OUTSIDE COLORADO.

SECTION 6. No appropriation. The general assembly has determined that this act can be implemented within existing appropriations, and therefore no separate appropriation of state moneys is necessary to carry out the purposes of this act.

SECTION 7. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 23, 1996